

**STATE OF ALABAMA
ETHICS COMMISSION**

RSA UNION BUILDING
100 NORTH UNION STREET, SUITE 104
MONTGOMERY, ALABAMA 36104

MAILING ADDRESS
P. O. Box 4840
MONTGOMERY, ALABAMA 36103-4840

PHONE: (334) 242-2997
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COMPLAINT

I. **Complainant's Name** : Troy King
(Person making complaint)

Address : 7065 Fain Park Drive

City/County/State/Zip : Montgomery, AL 36117

Home Phone : (334) 215-4440

Place of Employment : Law Offices of Troy King

Employer's Address : 7065 Fain Park Drive

City/County/State/Zip : Montgomery, AL 36117

Work Phone : (334) 215-4440

NOTE: PLEASE LIST ONLY ONE (1) RESPONDENT PER COMPLAINT FORM.
PLEASE USE A NEW FORM FOR EACH ADDITIONAL RESPONDENT.

II. **Respondent's Name and Title/Position Held** : Steve Marshall, Attorney General
(Person against whom complaint is made)

Address : P.O. Box 3537

City/County/State/Zip : Montgomery, AL 36109

Home Phone : (334) 242-7300

Place of Employment : Office of the Attorney General

Date of Occurrence : 2-28-2018, 3-30-2018

III. Statement of Facts:

State in your own words the *detailed* facts and the actions of the person named in paragraph II which prompted you to make this complaint. The brief space provided below is not intended to limit your statement of facts. Please feel free to attach additional sheets if necessary. Include relevant dates and time and the names and addresses of other persons whom you believe to have knowledge of the facts.

Please see attached

Section 36-25-4(c) states: "Prior to commencing any investigation, the Commission shall: (1) receive a written complaint which sets forth in detail the specific charges against a respondent, and the factual allegations which support such charges."

"The complaint may only be filed by a person who has or persons who have credible and verifiable information supporting the allegations contained in the complaint."

IV. I understand that by initiating this complaint I have started proceedings of a legal nature. I further understand that such proceedings could include criminal prosecution which could require my testimony before a grand jury and/or during trial. It is my intention to fully cooperate with the staff of the Alabama Ethics Commission in the investigation of this matter. I agree to testify, if needed, before the Alabama Ethics Commission and/or any other judicial body necessary to resolve this case. I understand that my failure to fully cooperate in this investigation could result in dismissal of this complaint.

I understand that my name and the other personal information on this form will not be released by anyone at the Alabama Ethics Commission. I am aware, however, that at the appropriate time this information may be available to the respondent and/or his/her attorney.

I hereby swear or affirm that the information on this form is true and correct to the best of my knowledge.

Complainant's Signature  Date 7-9-2018

Notary's Signature  Date 7-9-2018

Notary Seal

Date Notary Commission Expires 1-29-2019

July 9, 2018

SENT VIA HAND DELIVERY

Honorable Jerry Fielding, Chairman
Honorable Frank C. "Butch" Ellis, Vice-Chairman
Honorable John Plunk, Esquire, Member
Honorable Charles Price, Esquire, Member
Honorable Beverlye Brady, Esquire, Member
Honorable Thomas B. Albritton, Executive Director
The Alabama Ethics Commission
Suite 104
100 North Union Street
Montgomery, Alabama 36104

Dear Lady and Gentlemen:

Please consider this letter a formal complaint against Attorney General Steve Marshall and his re-election campaign for intentional, willful, and flagrant violations of Alabama's Fair Campaign Practices Act, specifically, the State of Alabama's laws prohibiting PAC-to-PAC contributions in Alabama elections.

By way of context, some historical precedent may be relevant and necessary. In 2006, before the law was amended to ban PAC-to-PAC transfers, I sought election as Alabama's Attorney General. Just as is present-Attorney General Marshall currently, I was once a member of the Republican Attorneys General Association (or "RAGA"). At that time (2006), RAGA created an Alabama PAC to receive and make political contributions. When RAGA's PAC filed its campaign finance disclosure report, although it was not required by law at that time in 2006, RAGA voluntarily disclosed each and every specific contribution received into its PAC and RAGA's PAC then allocated to RAGA's contribution to my campaign. In other words, RAGA voluntarily exceeded the reporting requirements set forth under Alabama law and reported with the greatest transparency of, perhaps, any contribution ever made in Alabama.

As the Ethics Commission is aware, following the 2010 election cycle, the Alabama Legislature was called into a special session by then-Governor Bob Riley to specifically address the serious issue of ethics and campaign finance reform. During that special session in 2010, the Legislature definitively and specifically banned PAC-to-PAC transfers, a law which now been the law for some eighteen years. Following the enactment of these changes to the law, serious questions arose surrounding the political activities of one of RAGA's sister organizations, the Republican State Leadership Committee (or "RSLC"). RSLC shared practices and organizational leadership with RAGA.

Because of allegations in the 2010 election cycle in Alabama, the RSLC Board of Directors ordered an internal review performed. The results of that review included an admission by the auditors that RSLC's activities were unethical. A report of findings was produced and included the conclusion that RSLC's leadership team "engaged in improper activities ... [that would] almost certainly be exposed by any sort of investigation relating to the recent PAC-to-

PAC transfer controversy in Alabama.” Following these scathing findings and RSLC’s public reform, RSLC then replaced much of its senior leadership.

In the 2014 election cycle, then-Attorney General Luther Strange was in a general election campaign for the Office of Attorney General against Democrat Joe Hubbard. According to campaign filings, Luther Strange’s campaign received a \$50,000 contribution from a RAGA-affiliated PAC. That same PAC had received donations from other PACs, a clear violation of Alabama’s PAC-to-PAC transfer ban. Therefore, the Strange campaign, like the Marshall campaign below, was the recipient of funds facilitated through a PAC-to-PAC transfer in violation of Alabama law. Attorney General candidate Hubbard complained of this violation of Alabama law on May 15, 2014. The Strange Campaign, while arguing that the contribution was lawful, nevertheless, rightly and correctly returned the \$50,000 PAC-to-PAC contribution out of “an abundance of caution” within twenty-four hours. The campaign’s accountant, Ashley Newman, a longtime and experienced accountant whose clientele includes campaigns such as those of Jeff Sessions, Bill Pryor, Troy King, Luther Strange, Bob Riley and many others, wrote the actual letter that accompanied the return of the \$50,000 back to the RAGA Alabama PAC.

Now, during the 2018 election cycle, according to RAGA’s public filings with the Internal Revenue Service, RAGA’s PAC has again accepted a number of contributions from other PACs, including, earlier this year, nearly \$16,000 from the J.P. Morgan PAC plus another \$50,000 in PAC contributions in the last quarter of 2017. RAGA’s PAC has now, during this election cycle, made hundreds of thousands of dollars of contributions to Steve Marshall for Alabama, Inc.

When PAC funds are received and commingled in a campaign account, that account and all of the money within it is tainted under Alabama law and no monies that have been deposited into that account may be lawfully contributed to an Alabama campaign because of this well established and longstanding PAC-to-PAC prohibition. The campaign report of Attorney General Marshall’s campaign provide clear evidence that the Marshall campaign has received political contributions from commingled funds that include PAC contributions and such contributions violate Alabama law.

Ashley Newman, who served as the campaign accountant when the Strange campaign accepted its own identical illegal contributions from RAGA’s PAC in 2014 (and who properly returned RAGA’s PAC’s contributions in 2014), serves in an even more high profile position with Mr. Marshall’s campaign. She is listed as Marshall’s Committee Dissolution Designee on his Appointment of Principal Campaign Committee Form which Marshall filed on May 25, 2017.

I respectfully urge the Ethics Commission to treat this Complaint in a truly expedited manner, issuing a ruling immediately that these funds violate Alabama’s Pac-to-Pac transfer ban and, therefore, are illegal. Failure to do so threatens to alter the outcome of the July 17th run-off election by allowing hundreds of thousands of dollars of illegal contributions to be illegally used and spent by the Marshall campaign. Any delay is likely to do irreparable harm to our state and set a dangerous precedent.

Additionally, the Ethics Commission should refer charges against all involved in this repeated violation of state law – RAGA, Ms. Newman, the Marshall campaign leadership who accepted these contributions with knowledge of their illegality, and Mr. Marshall himself.

As a former Attorney General, I understand that only when our election laws are enforced as written do they act as an honest deterrent to election campaign wrongdoing. The Alabama Ethics Commission and you as Executive Director have the immediate and compelling ability and duty to do so. Thank you. If you require any further information to process this complaint, please let me know.

Sincerely,

Troy King